

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### Opportunity Foundation Central Oregon

#### Oregon Manufacturing Extension Partnership

#### Lean Manufacturing Increases Productivity at OFCO

##### Client Profile:

The Opportunity Foundation of Central Oregon (OFCO) is a nonprofit agency that manufactures secondary and custom-cut lumber survey products along with performing confidential paper shredding, light manufacturing assembly, and clothes and plastics recycling. They do this while employing adults with disabilities, allowing the employees to achieve their goals of performing meaningful work so that they can become an active part of the community. Located in Redmond, Oregon, OFCO has 240 employees and is one of the top 5 employers in the area.

##### Situation:

OFCO was faced with potential loss of jobs from increasing price pressures and demands for shorter lead times from its customers. In addition, sales growth was stagnate. These issues threatened to interfere with the mission to provide jobs and meaningful work for its disabled employees. Products were manufactured with a traditional batch and queue process resulting in long lead times and high in-house inventories. OFCO contacted the Oregon Manufacturing Extension Partnership (OMEP), a NIST MEP network affiliate, for assistance.

##### Solution:

OMEP performed an overall assessment of the operation and conducted training on lean manufacturing. Then they worked with OFCO to develop a value stream map of the current state and develop an improved future state. Together they implemented changes to improve the flow. Special care was taken to help the employees adapt to the changing environment. To help find new customers, OMEP contracted with a marketing firm, Results Marketing and Communication, to conduct market research and develop a new marketing brochure.

##### Results:

- \* Improved productivity going from batch to flow manufacturing by 250 percent.
- \* Reduced backlog from 7 to 11 days to same day or next-day delivery.
- \* Increased customer satisfaction.
- \* Allocated job assignments to allow supervisor to concentrate on managing new customers.
- \* Gained new customers due to formal marketing plan, brochures, trade show attendance, and public relations program.
- \* Reduced in-process inventories.
- \* Implemented preventative maintenance program.

##### Testimonial:

"The OMEP process was very helpful to our manufacturing of survey products. After OMEP first gave our woodshop staff an overview of the lean manufacturing continuous flow process, they were then

## MANUFACTURING EXTENSION PARTNERSHIP

### Success Stories from the Field

able to assist in the practical application of the lean/continuous flow model to our manufacturing lines. Of particular importance was that we were able to increase our production of 4 lathe (our best seller) from 8 to 10 bundles per day to 25 to 30 bundles per day."

Bob Weber, Operations Manager